## WORKFORCE OBSERVATIONS FOR WEST CENTRAL WISCONSIN COUNTIES

State of Wisconsin

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State of Wisconsin
Department of Workforce Development

## Unemployment declines throughout the West Central region

Unemployment rates declined in 43 counties in Wisconsin in August including all of the counties in the West Central region and the Eau Claire-Chippewa metropolitan area. The seasonally adjusted unemployment rate in the Eau Claire-Chippewa metropolitan area declined from 5.7 percent in July to 5.5 percent in August. The metro area was one of only two MSAs in the state with a lower unemployment rate over the month. One year ago the metro rate was 5.3 percent.

The State of Wisconsin seasonally adjusted rate increased from 5.6 percent in July to 5.9 percent in August but remained below the national rate of 6.1 percent. Unadjusted, the Wisconsin unemployment rate declined from 5.5 to 5.4 percent in August.

Unemployment rates do typically fall from July to August and the drop is generally associated with reductions in both the numbers of unemployed and employed. Employment declines as temporary and some seasonal jobs end, and unemployment declines as job seekers drop out of the labor market.

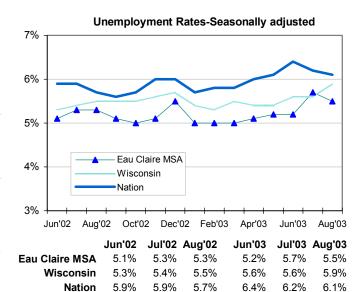
In the Eau Claire metro area the number of unemployed declined by 220 from July to 4,750 in August while the number of employed dropped by 500 to 81,500. In the West Central region there were 1,650 fewer unemployed residents while the number of employed decreased by 3,300 to 224,500. The West Central region unemployment rate dropped from 5.6 percent in July to 5.0 percent in August.

Typically, the jobs lost in August are from government employers. These are the jobs primarily associated with summer recreation programs and summer school. In the Eau Claire-Chippewa area government employment declined by 400 and over half of the re-

duction occurred in state government. With fewer state government jobs in the rural counties of the region the reduction there was much smaller and totaled less than 100 jobs.

Manufacturing employment, on the other hand, typically increases in August but this year the metro area lost 400 production jobs. The reduction in August follows two months of job cuts by manufacturing employers. The situation is poised to get even worse as October job reductions were announced by Mason Shoe Company and Silicon Graphics. There are now left 10,300 manufacturing jobs in the metro area in August, 1,300 less than one year ago.

In spite of the loss of 400 production and 400 government jobs the total number of jobs in Eau Claire



## August Civilian Labor Force Estimates, not seasonally adjusted, for West Central Wisconsin counties

|                           | Barron  |         |         | Chippewa |         |         | Clark   |         |         | Dunn      |         |         | Eau Claire Co.      |         |         |
|---------------------------|---------|---------|---------|----------|---------|---------|---------|---------|---------|-----------|---------|---------|---------------------|---------|---------|
|                           | Aug '03 | Jul '03 | Aug '02 | Aug '03  | Jul '03 | Aug '02 | Aug '03 | Jul '03 | Aug '02 | Aug '03   | Jul '03 | Aug '02 | Aug '03             | Jul '03 | Aug '02 |
| Civilian labor force      | 25,609  | 25,749  | 24,432  | 31,376   | 32,239  | 31,095  | 16,115  | 16,296  | 15,377  | 22,265    | 22,530  | 21,492  | 54,546              | 55,850  | 53,796  |
| Employed                  | 24,339  | 24,426  | 23,337  | 29,839   | 30,507  | 29,544  | 15,229  | 15,346  | 14,544  | 21,339    | 21,490  | 20,726  | 52,056              | 53,222  | 51,542  |
| Unemployed                | 1,270   | 1,323   | 1,095   | 1,537    | 1,732   | 1,551   | 886     | 950     | 833     | 926       | 1,040   | 766     | 2,490               | 2,628   | 2,254   |
| % unemployed              | 5.0     | 5.1     | 4.5     | 4.9      | 5.4     | 5.0     | 5.5     | 5.8     | 5.4     | 4.2       | 4.6     | 3.6     | 4.6                 | 4.7     | 4.2     |
|                           | Pepin   |         |         | Pierce   |         |         | Polk    |         |         | St. Croix |         |         | West Central region |         |         |
|                           | Aug '03 | Jul '03 | Aug '02 | Aug '03  | Jul '03 | Aug '02 | Aug '03 | Jul '03 | Aug '02 | Aug '03   | Jul '03 | Aug '02 | Aug '03             | Jul '03 | Aug '02 |
| Civilian labor force      | 3,558   | 3,613   | 3,267   | 21,323   | 21,667  | 21,167  | 23,802  | 24,980  | 23,298  | 37,644    | 38,276  | 37,170  | 236,238             | 241,200 | 231,094 |
| Employed                  | 3,400   | 3,437   | 3,102   | 20,375   | 20,630  | 20,207  | 22,551  | 22,924  | 22,102  | 35,319    | 35,761  | 35,029  | 224,447             | 227,743 | 220,133 |
| Unemployed                | 158     | 176     | 165     | 948      | 1,037   | 960     | 1,251   | 2,056   | 1,196   | 2,325     | 2,515   | 2,141   | 11,791              | 13,457  | 10,961  |
| % unemployed              | 4.4     | 4.9     | 5.1     | 4.4      | 4.8     | 4.5     | 5.3     | 8.2     | 5.1     | 6.2       | 6.6     | 5.8     | 5.0                 | 5.6     | 4.7     |
| * not seasonally adjusted |         |         |         |          |         |         |         |         |         |           |         |         |                     |         |         |

Industry Employment Estimate for West Central Wisconsin: Current month - August 2003

|                              | Barron  |         |         |         | Clark   |         | Dunn      |         |         | Pepin          |         |         |
|------------------------------|---------|---------|---------|---------|---------|---------|-----------|---------|---------|----------------|---------|---------|
| (Employment in thousands)    | Aug '03 | Jul '03 | Aug '02 | Aug '03 | Jul '03 | Aug '02 | Aug '03   | Jul '03 | Aug '02 | Aug '03        | Jul '03 | Aug '02 |
| Total Nonfarm                | 22.4    | 22.3    | 22.0    | 10.0    | 10.1    | 9.7     | 15.1      | 15.1    | 14.9    | 2.4            | 2.5     | 2.3     |
| Const/Min'g/Nat. Resources   | 0.8     | 0.8     | 0.8     | 0.6     | 0.6     | 0.6     | 0.7       | 0.7     | 0.8     | 0.2            | 0.2     | 0.2     |
| Manufacturing                | 6.7     | 6.7     | 6.8     | 2.6     | 2.6     | 2.7     | 2.2       | 2.2     | 2.2     | 0.2            | 0.2     | 0.2     |
| Trade                        | 3.6     | 3.6     | 3.6     | 1.5     | 1.5     | 1.5     | 2.6       | 2.6     | 2.4     | 0.5            | 0.5     | 0.5     |
| Transportation & Utilities   | 0.4     | 0.4     | 0.4     | 0.4     | 0.4     | 0.4     | 1.6       | 1.6     | 1.6     | 0.0            | 0.0     | 0.1     |
| Financial Activities         | 0.6     | 0.6     | 0.5     | 0.3     | 0.3     | 0.3     | 0.5       | 0.5     | 0.4     | 0.1            | 0.1     | 0.1     |
| Education & Health Services  | 2.3     | 2.3     | 2.2     | 1.1     | 1.1     | 1.1     | 1.3       | 1.3     | 1.3     | 0.3            | 0.3     | 0.3     |
| Leisure & Hospitality        | 2.0     | 2.0     | 2.0     | 8.0     | 8.0     | 0.7     | 1.6       | 1.6     | 1.5     | 0.5            | 0.5     | 0.3     |
| Info/Prof.& Bus.Serv./Other  | 1.7     | 1.7     | 1.6     | 0.6     | 0.6     | 0.6     | 1.4       | 1.4     | 1.3     | 0.2            | 0.2     | 0.2     |
| Total Government             | 4.3     | 4.2     | 4.1     | 1.9     | 1.9     | 1.9     | 3.2       | 3.3     | 3.5     | 0.5            | 0.5     | 0.5     |
|                              | Pierce  |         |         | Polk    |         |         | St. Croix |         |         | Eau Claire MSA |         |         |
|                              | Aug '03 | Jul '03 | Aug '02 | Aug '03 | Jul '03 | Aug '02 | Aug '03   | Jul '03 | Aug '02 | Aug '03        | Jul '03 | Aug '02 |
| Total Nonfarm                | 9.7     | 9.6     | 10.0    | 15.0    | 15.1    | 15.0    | 28.1      | 27.9    | 27.6    | 76.1           | 77.0    | 76.4    |
| Const/Min'g/Nat. Resources   | 0.5     | 0.5     | 0.6     | 1.0     | 1.0     | 0.9     | 1.9       | 1.9     | 1.8     | 3.2            | 3.2     | 3.6     |
| Manufacturing                | 1.1     | 1.1     | 0.8     | 3.7     | 3.7     | 3.9     | 6.0       | 5.8     | 6.5     | 10.3           | 10.7    | 11.6    |
| Trade                        | 0.9     | 0.9     | 1.2     | 2.1     | 2.1     | 2.1     | 4.4       | 4.4     | 4.2     | 13.1           | 13.1    | 12.8    |
| Transportation & Utilities   | 0.4     | 0.4     | 0.4     | 0.3     | 0.3     | 0.3     | 0.9       | 0.9     | 1.0     | 2.7            | 2.7     | 2.7     |
| Financial Activities         | 0.4     | 0.4     | 0.4     | 0.6     | 0.6     | 0.5     | 1.1       | 1.1     | 0.9     | 3.8            | 3.8     | 3.7     |
| Education & Health Services  | 1.1     | 1.1     | 1.1     | 2.2     | 2.2     | 2.0     | 2.9       | 2.9     | 2.7     | 12.4           | 12.4    | 12.1    |
| Leisure & Hospitality        | 1.5     | 1.5     | 1.4     | 1.4     | 1.4     | 1.3     | 3.9       | 3.9     | 3.4     | 7.9            | 8.0     | 7.7     |
| Information/Prof.& Bus.Serv. | 1.1     | 1.1     | 1.1     | 1.5     | 1.4     | 1.5     | 3.9       | 3.8     | 3.8     | 8.1            | 8.1     | 8.0     |
| Other Services               | NA        | NA      | NA      | 3.8            | 3.8     | 3.7     |
| Total Government             | 2.8     | 2.7     | 2.9     | 2.4     | 2.5     | 2.4     | 3.1       | 3.3     | 3.2     | 10.8           | 11.2    | 10.5    |

Current month preliminary. Estimates based on March 2002 benchmark. Summing from unrounded numbers.

and Chippewa counties is down only 300 from last August. All of the industries included in the service producing sectors reported more jobs this August than one year earlier. Unfortunately, not everyone laid off from a production job is qualified, or suited, to fill vacancies from service producing employers.

That is one of the reasons why unemployment remains high and the number of residents filing claims for unemployment insurance benefits is higher than in recent years. The number of residents in the metro area filing for unemployment benefits in mid-August totaled 2,240 slightly more than one year ago and several hundred higher than in 2001.

The same is true for rural residents in West Central Wisconsin. Excluding the metropolitan counties there were 2,692 claims filed for unemployment benefits in mid-August, an increase of 55 from one year ago. In both the metro and rural counties the number of claims declines by mid-September.

The number of residents filing claims for unemployment benefits remains far less than the total number of unemployed in West Central Wisconsin. In August, there were 11,800 unemployed in the nine-county region compared with 4,932 claims for unemployment benefits. The total number of unemployed in-

cludes not only the residents who receive unemployment benefits but also the many individuals who are out of work but not eligible for benefits. The total number of unemployed in the region is an estimate based, in part, on a monthly survey of households conducted by the US Census Bureau during the week that includes the 12<sup>th</sup> day of every month.

In Barron County, there were 1,270 residents who were unemployed in August and the unemployment rate was 5.0 percent. In Clark County, with 890 residents unemployed, the unemployment rate was 5.5 percent. There were 930 unemployed in Dunn County producing an unemployment rate in August of 4.2 percent. The unemployment rate in Pepin County was 4.4 percent with 160 unemployed residents, in Pierce the rate was also 4.4 percent but there were 950 unemployed and in Polk the unemployment rate was 5.3 percent with 1,250 unemployed residents. St. Croix County has the highest unemployment rate in the region at 6.2 percent and the second highest number of unemployed residents with 2,325. The number of manufacturing jobs increased by 270 in St. Croix County during the month but many of those were seasonal. Compared with one year ago there are 500 fewer production jobs.